private sector banks and has programmed the reduction of gross fiscal deficit to 5% of GDP.

Private Sector Banks

1973. Shri RAJENDRA AGNIHOTRI : Will the Minister of FINANCE be pleased to state :

(a) whether the attention of the Government has been drawn to the news-item captioned "Private Sector Banks for level-playing field" appearing in the 'Hindustan Times' dated June 8, 1996;

(b) if so, the facts thereof; and

(c) the remedial steps proposed to be taken by the Government in this regard?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) Yes, Sir.

(b) The President of the Private Sector Banks' Association has raised certain issues, like, not inviting the representatives of the private sector banks during the credit policy meeting convened by Governor, RBI, non-acceptance of guarantees issued by private sector banks by Government Departments and public sector undertakings, non-reckoning of current account balance maintained with private sector banks as eligible assets for SIR purpose, non-banking financial companies (NBFCs) can deposit the liquidity required to be maintained by them only with nationalised banks, etc.

(c) Reserve Bank of India (RBI) has reported that the issue of inviting some representatives of private sector banks on a regular basis is under its examination. 'Private Sector Banks' had been invited on some occasions. RBI has further reported that bank guarantees can be freely accepted by Central Government Departments, Railways and State Governments from all scheduled commercial banks. As regards computation of SLR, RBI has stated that as per the provisions of Section 24 of the Banking Regulation Act, balances in the current account maintained with the public sector banks only are eligible for computation of SLR.

So far as deposit of the amount of liquidity by NBFCs is concerned, RBI has reported that there is no discrimination against private sector banks. The only condition is that the bank should be scheduled.

Higher Denomination Notes

1974. SHRI ANAND RATNA MAURYA :
SHRI SATYADEO SINGH :
SHRI MAHESH KUMAR M. KANODIA :
SHRI PANKAJ CHOWDHARY :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to introduce thousand, five thousand and ten thousand denomination currency notes in the near future;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) There is no proposal under consideration of the Government at this stage to introduce 1000, 5000 and 10000 denomination currency notes.

(b) and (c). Does not arise.

Export to Russia under Debt Repayment Fund

1975. SHRI PRABHU DAYAL KATHERIA :
SHRI ANANTH KUMAR :

Will the Minister of FINANCE be pleased to state :

(a) whether some cases of illegal diversion of goods meant for Russia under debt repayment funds to third countries have come to the notice of the Government;

(b) if so, the details of such cases detected so far during 1995 and 1996; and

(c) the action taken against the persons found guilty?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) and (b). Some cases of exports meant for Russia but diverted to other countries have been reported to the Government. Such cases of diversion have been reported by Researve Bank of India in respect of nine cases, by Directorate of Revenue Intelligence in one case and Enforcement Directorate in respect of three cases. Investigations and adjudication proceedings are in progress.

(c) Nature of action taken would be known only after completion of all the investigations and adjudication proceedings.

Disburesl of Bank Loans to S.S.Is

1976. SHRI N. DENNIS : Will the Minister of FINANCE be pleased to state the details of the latest guidelines issued by the Government to the banks regarding disbursal of loans for starting small scale industries and release of funds under poverty alleviation programme?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM): Government does not issue any guidelines to the commercial banks regarding disbursal of loans. However, guidelines issued by Reserve Bank of India (RBI) in March 1984 provide that all loan applications upto a credit limit of Rs.25,000/- shall be disposed of within 8 to 9 weeks. Banks have been advised that requests for increase in limits should be considered expeditiously and decisions should be taken promptly. Further, all cases of rejections/curtailment of limits to Small Scale Industrial (SSI) units should be looked into by the next higher authority so as to ensure that the entrepreneurs are not put to unnecessary hardships.